

DAILY MARKETS OVERVIEW

8 DECEMBER 2019

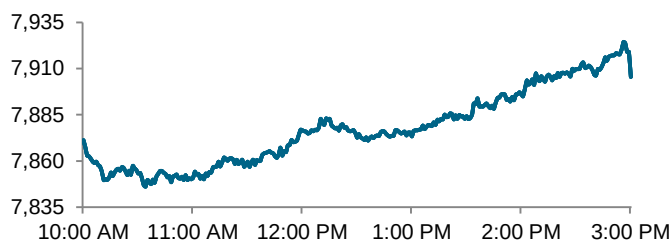
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,906	0.4	0.6	1.0	20.4
Saudi (NOMU)	6,881	4.3	7.9	173.0	NA
Energy	5,226	-0.4	-3.4	7.8	35.7
Materials	4,802	0.3	0.5	-8.6	32.4
Capital Goods	3,876	0.0	0.0	-0.6	32.4
Com. & Prof. Svc	4,306	0.4	1.5	4.1	18.6
Transportation	4,059	1.4	1.0	16.7	19.3
Cons. Durables & Apparel	3,130	0.1	0.5	-14.6	NA
Consumer Services	3,476	0.6	-0.7	17.9	30.2
Media	7,985	0.4	0.8	-21.6	33.3
Retailing	7,243	0.7	0.7	5.5	31.2
Food & Staples Retailing	6,335	1.9	4.8	6.6	27.7
Food & Beverages	4,004	-0.3	-1.2	3.0	NA
Health Care Equipment	3,508	0.3	0.1	-6.6	24.5
Pharma, Biotech & Life Science	3,423	-0.4	2.0	-11.7	NA
Banks	7,629	0.5	1.1	5.8	13.3
Diversified Financials	3,065	-0.1	1.4	-11.9	NA
Insurance	4,149	0.5	-0.2	-0.6	NA
Telecommunication	5,972	1.1	1.0	10.5	18.0
Utilities	4,418	0.5	0.5	31.1	NA
REITs	3,848	0.5	0.9	6.2	24.8
Real Estate	2,870	0.1	-1.2	-11.0	NA

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Anaam International Holding Group Co.	12.02	9.9%	66
Yamama Cement Co.	24.00	4.8%	35
Southern Province Cement Co.	61.90	4.6%	12
Umm Al-Qura Cement Co.	19.82	4.1%	19
Saudi Industrial Services Co.	16.28	4.1%	6

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Sahara International Petrochemical Co.	8-Dec-19
Tabuk Cement Co.	9-Dec-19
Banque Saudi Fransi	12-Dec-19
Saudi Cable Co.	15-Dec-19
Mouwassat Medical Services Co.	16-Dec-19
Bank Aljazira	16-Dec-19

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of December 8, 2019

(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.4% higher at 7,906 while NOMU closed 4.3% higher at 6,881 on Thursday. TASI traded value totaled SAR 2.1bn and averaged SAR 2.8bn over the last 30 days. The 5 most active stocks (by value) in TASI accounted for 31.6% of the daily traded value.
- MSCI Emerging Markets increased 0.6% on Friday, trading at P/E (TTM) of 14.7x vs. 20.4x for TASI.
- Banks and Telecoms gained 0.5% and 1.1%, respectively. Food & Staples Retailing (up 1.9%) was the best performing sector. Among stocks, Anaam International Holding Group Co. (4061/ANAAM AB), Yamama Cement Co. (3020/YACCO AB), and Southern Province Cement Co. (3050/SOCCO AB) led the gainers.
- According to the World Bank, KSA's GDP growth rate will likely slow down to 0.4% in 2019, driven by OPEC's oil supply reduction drive, before rising to 1.0% in 2020 and 2.2% in 2021. (Source: Argaam)
- The Chairman of Advanced Petrochemical Co. (2330/APPC AB) revealed the firm has various expansion plans and it is open to merger deals. The company is studying the feasibility of copolymer projects with specialized companies to produce around 100,000 tons of polymer. (Source: Argaam)
- Saudi Public Transport Co. (4040/SAPTCO AB) signed a deal to sell 350 second-hand Rosa-Model buses at book value to Saudi Emirates Integrated Transport Co. (SEITCO), at a total value of SAR 32mn (USD 8.5mn). The sale proceeds will be used to finance SAPTCO's working capital. (Source: Argaam)
- Saudi Industrial Export Co. (4140/SIECO AB) renewed its selling and distribution contract with Alshalan Sons Company (Shalasco) for one year, starting from December 6, 2019. No financial costs are expected to result from the deal. (Source: Argaam)
- The Capital Market Authority (CMA) approved Ash-Sharqiyah Development Co.'s (6060/ASACO AB) request to increase its capital to SAR 120mn (USD 32mn) from SAR 75mn (USD 20mn) by issuing 4.5mn ordinary shares to acquire 2 real estate assets. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Baazeem Trading Co.	43.20	-9.6%	64
Saudi United Cooperative Insurance Co.	14.32	-2.2%	2
Abdullah Saad Mohammed Abo Moati for Bookstores Co.	18.00	-2.2%	12
National Agriculture Marketing Co.	19.00	-1.9%	11
Al-Baha Investment & Development Co.	15.56	-1.8%	7

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Al Rajhi Bank	63.20	0.3%	248
Alinma Bank	23.08	0.2%	147
Saudi Basic Industries Corp.	90.00	-0.9%	125
Anaam International Holding Group Co.	12.02	9.9%	66
Baazeem Trading Co.	43.20	-9.6%	64

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,695	0.0	0.6	6.5	10.7
Abu Dhabi (ADX)	5,047	0.0	0.3	2.7	15.5
Kuwait (KSE)	5,489	0.4	1.2	5.9	16.9
Qatar (QE)	10,358	0.8	2.1	0.6	15.0
Oman (MSM)	4,029	-0.3	-0.9	-6.8	7.6
Bahrain (BSE)	1,547	0.2	1.3	15.7	12.5
DJMENA Index	579	0.0	0.8	4.0	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	3,146	0.9	0.2	25.5	20.9
US (NASDAQ 100)	8,657	1.0	-0.1	30.5	24.2
UK (FTSE 100)	7,240	1.4	-1.5	7.6	17.5
Germany (DAX)	13,167	0.9	-0.5	24.7	24.4
France (CAC 40)	5,872	1.2	-0.6	24.1	21.0
Russia (MICEX)	2,929	1.0	-0.2	23.6	5.6
Japan (Nikkei)	23,354	0.2	0.3	16.7	18.6
Hong Kong (HSI)	26,498	1.1	0.6	2.5	10.3
South Korea (KOSPI)	2,082	1.0	-0.3	2.0	16.2
China (SHCOMP)	2,912	0.4	1.4	16.8	14.0
India (NIFTY)	11,922	-0.8	-1.1	9.7	26.0
Brazil (IBOV)	1,11,126	0.5	2.7	26.4	17.4
Turkey (BIST 100)	1,08,869	0.2	1.8	19.3	8.4
Egypt (EGX30)	13,622	0.0	-1.6	4.5	11.7
MSCI Emerging Markets	1,049	0.6	0.9	8.6	14.7
MSCI World	2,296	0.8	0.2	21.9	20.0

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	64.4	1.6	3.1	19.7	7.2
Natural Gas (\$/mmbtu)	2.3	-4.0	2.1	-20.7	-26.8
Gold (\$/oz)	1,460	-1.1	-0.3	13.9	18.0
Silver (\$/oz)	16.6	-2.3	-2.7	7.0	14.6
Platinum (\$/oz)	897	-0.1	0.0	12.7	13.5
Copper (\$/t)	5,962	1.8	2.0	0.2	-1.9
Zinc (\$/t)	2,243	0.1	-2.5	-11.0	-17.2
Lead (\$/mt)	1,880	-0.7	-3.4	-6.4	-3.4
Wheat (\$/bu)	525	0.1	-3.2	4.2	-5.8
Corn (\$/bu)	377	0.0	-1.2	0.5	-8.2
Sugar (\$/lb)	13.2	0.8	1.9	9.6	-3.0

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	1.89	0.01	-0.92	0.00
Saudi Arabia	2.24	0.00	-0.74	0.35
UAE	2.21	0.20	-0.63	0.32
Kuwait	2.75	0.00	0.44	0.86
Qatar	2.32	0.00	-0.59	0.43
Bahrain	2.72	-0.03	-1.23	0.83

Source: Reuters

NOTES: (1) Prices updated as of December 8, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the green on Friday. S&P 500 and NASDAQ gained 0.9% and 1.0%, respectively. Dow Jones Industrial closed 1.2% higher. In Europe, UK increased 1.4%. Germany and France ended 0.9% and 1.2% higher, respectively.
- Asian markets ended mostly in the green on Friday. China gained 0.4%. Japan and South Korea closed 0.2% and 1.0% higher, respectively. Hong Kong increased 1.1% while India ended 0.8% lower.
- GCC markets ended mixed on Thursday. Dubai and Abu Dhabi ended flat. Kuwait and Qatar ended 0.4% and 0.8% higher, respectively. Oman declined 0.3% while Bahrain increased 0.2%.
- US jobless claims for the week ended November 30 stood at 203K (prior: 213K; consensus: 218K). (Source: Trading Economics)
- OPEC and its allies agreed to further cut oil production by 500,000 barrels per day (bpd) until March 2020. The output cut includes 340,000bpd cut by OPEC and 160,000 bpd reductions by non-OPEC producers. (Source: Argaam)
- The IHS Markit UAE Purchasing Managers' Index (PMI) slipped to 50.3 in November from 51.1 in the previous month. Growth in the UAE's non-oil private sector business conditions softened to the weakest in more than ten years in November 2019. (Source: Zawya)
- According to the Central Bank of UAE, overall soundness of the banking sector remained positive during 3Q19. The Central Bank added that banks operating in the UAE remain well capitalized, with a Capital Adequacy Ratio of 17.7%, Tier 1 Capital of 16.5%, and Common Equity Tier 1 of 14.7%, which are well above the regulatory requirements. (Source: Zawya)
- Kuwait Fund for Arab Economic Development (KFAED) signed a USD 100mn (KWD 30.4mn) loan agreement with Bahrain to help finance the development of a 400-kilovolt (kV) transmission network in the country. (Source: Trade Arabia)
- Dubai Health Authority (DHA) has signed an agreement with India-based Apollo Hospitals Group (APHS IN) for joint collaboration opportunities in the field of healthcare technology. (Source: Trade Arabia)
- India based L&T (LT IN) stated its subsidiaries have secured orders from clients in GCC for its varied businesses. The UAE project is for the design, supply and construction of a 132kV substation project along with associated 132kV cabling works. The second project is a major add-on order from an existing client in Qatar for an Expressway which was secured by L&T's Transportation Infrastructure business. (Source: Trade Arabia)

Coming Up

- Japan's GDP growth for 3Q19 (prior: 0.2% Y/Y, 0.1% Q/Q; consensus: 1.3% Y/Y) will be announced tomorrow. (Source: Trading Economics)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended December 6 (prior: -4.9mn barrels) will be announced on December 11. (Source: Trading Economics)
- US jobless claims for the week ended December 7 (prior: 203K; consensus: 212K) will be announced on December 12. (Source: Trading Economics)



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